

A-E CONTRACTING BULLETIN 97-05, 17 MAR 97

SUBJECT: FY96 A-E TIME STANDARDS REPORT

1. Reference memorandum, CEMP-EC, 6 March 1997, subject: ER 715-1-15, Time Standard for Architect-Engineer (A-E) Contracts.
2. The subject memorandum has just been signed and distributed to commanders. The average A-E contracting duration for FY96 is 7 percent less than the time standards, when justifiable delays are excluded. This represents a reduction of 9 percent from FY95, and an overall decrease of 35-40 percent since the inception of the time standards program in 1991. Good job!

Encl

DON EVICK, HQUSACE, CEMP-EC
A-E CONTRACTING PROGRAM MANAGER
PHONE: 202-761-1053, FAX: 202-761-1649



DEPARTMENT OF THE ARMY
U.S. Army Corps of Engineers
WASHINGTON, D.C. 20314-1000

REPLY TO
ATTENTION OF:

06 MAR 1997

CEMP-EC (715)

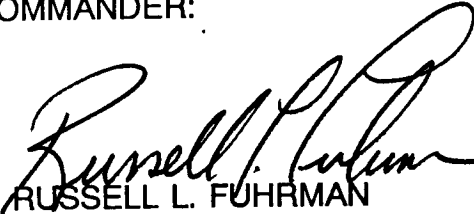
MEMORANDUM FOR COMMANDERS, MAJOR SUBORDINATE COMMANDS


SUBJECT: ER 715-1-15, Time Standards for Architect-Engineer (A-E) Contracts

1. Enclosed is a report summarizing USACE compliance with the subject regulation for FY96. Most commands are continuing to make progress in reducing A-E contracting durations. The average contracting duration is 7 percent less than the time standards in the subject ER, when justifiable delays are excluded. This represents a reduction of 9 percent from FY95, and an overall decrease of 35-40 percent since the inception of the time standards program in 1991.
2. Despite this notable progress in reducing A-E contracting durations, substantial justifiable delays continue to be experienced on the majority of contracts. Even though justifiable delays can be excluded from the reported contracting durations, commands must continue to work proactively to reduce these delays through closer coordination with customers, auditors, regulators and others.
3. Instructions on the next report will be provided separately later.
4. Distribute this memorandum to Engineering, Contracting and other functional elements involved in the A-E contracting process in your command.
5. This memorandum has been coordinated with the Principal Assistant Responsible for Contracting.
6. HQUSACE point of contact is Donald R. Evick, P.E., CEMP-EC, 202-761-1053.

FOR THE COMMANDER:

Encl


RUSSELL L. FUHRMAN
Major General, USA
Director of Civil Works


PHILLIP R. ANDERSON
Brigadier General, USA
Director of Military Programs

CF:
District Commanders

SUMMARY REPORT ON
ARCHITECT-ENGINEER CONTRACTING TIME STANDARDS
FOR PERFORMANCE PERIOD: 1 OCTOBER 1995-30 SEPTEMBER 1996

INTRODUCTION

This report is authorized by Engineer Regulation (ER) 715-1-15, Time Standards for Architect-Engineer Contracts, 1 August 1994. Each district provided architect-engineer (A-E) contract performance data and supporting discussion to their major subordinate command (MSC). Each MSC, including centers, then provided a summary report to HQUSACE, ATTN: CEMP-EC.

SUMMARY OF PERFORMANCE

A total of 487 synopsisized A-E contracts were awarded in USACE in FY96 (compared to 473 in FY95).

The procurement of A-E contracts of \$500,000 or less averaged 128 days, which is 9 percent less than the time standard of 140 days. The procurement of A-E contracts over \$500,000 averaged 196 days, which is 7 percent less than the time standard of 210 days. Justifiable delays, which are discussed below, are excluded from these durations. The longer durations for contracts over \$500,000 are primarily attributable to the regulatory requirements for audit (unless waived by the contracting officer) and a subcontracting plan.

Overall performance is measured by the composite time index (CTI). A CTI of 1.00 means the weighted average duration to procure all A-E contracts is equal to the time standards. For this period, the USACE-wide CTI is 0.93, or 7 percent faster than the time standards. The CTI for the previous reporting periods as shown below for comparison:

1 April 1994-30 September 1994*	1.08
1 October 1994-31 March 1995*	1.03**
1 April 1995-30 September 1995*	1.01**
1 October 1995-30 September 1996	0.93

* Reporting period was semiannual prior to FY96.

** 1 October 1994-30 September 1995 composite CTI is 1.02.

Hence, there continues to be steady progress in reducing A-E contracting durations.

Encl

JUSTIFIABLE DELAYS

Appendix C of ER 715-1-15 lists eight justifiable delays. Also, delay due to formal protest is a justifiable delay. Sixty percent of the contracts (292/487) had justifiable delays, averaging 151 days. This is comparable to the delays experienced in FY95 (57 percent of the contracts had justifiable delays averaging 137 days). The most common causes were:

- Multiple contract awards from one synopsis (20 percent of the contracts).
- Delay in receiving funds (17 percent of the contracts).
- Scope uncertainties or changes (15 percent of the contracts).
- Postponement of the award of an indefinite delivery contract (IDC) to coincide with issuance of the first delivery order (10 percent of the contracts).
- Suspension or deferral of the project (9 percent of the contracts), which represented the longest average delay of 185 days.

SUMMARY

With justifiable delays excluded, districts and operating MSCs are awarding A-E contracts 7 percent faster, on average, than required by the time standards in ER 715-1-15. MSCs and districts seem committed to improving their A-E contracting processes, and have adopted many of the streamlining techniques listed in ER 715-1-15. However, over one-half of the contracts were delayed for justifiable reasons. The primary reasons were: funding delays, scope uncertainties or changes, and multiple contract awards from the same synopsis.